

April 11, 2002

Chairman  
Federal Communications Commission  
Washington, DC

The International Prepaid Communications Association serves the providers of prepaid phonecards, prepaid wireless service, other prepaid telecom and their suppliers.

The Association urges the Commission to approve Docket No. 98-171 on Universal Service Reform.

Considerable confusion exists under the current system which has resulted in great expense in efforts to conform to the rules.

The proposed overhaul is far clearer and its adoption would likely decrease the cost of determining liability and increase conformance with the law.

A key provision would assess single-line business, and mobile wireless connections would be assessed, on a monthly basis, a flat fee of \$1.00 per connection and capacity-based assessments on multi-line business connections.

We urge the FCC to make it clear that the overhaul would eliminate and eliminate direct liability from telecom service providers who are not connection-based interstate telecom providers. Pure resellers of telecom, such as prepaid phonecard issuers and others should not be subject to the USF levies as the current proposal provide. These resellers do not provide connections to the public network, but they would pay indirectly through those connection-based providers that they work with.

Thank you for your consideration of these comments.